Proposed NPL Listing of the Anaconda Aluminum Company Columbia Falls Reduction Plant

Fact Sheet

May 2015

Columbia Falls Aluminum Company ("CFAC")

Test results show no threat to human health and environment

- The United States Environmental Protection Agency ("EPA") tested drinking water wells in the Aluminum City neighborhood three times in 2013 2014 no tested wells had contaminants above applicable health-based drinking water standards.
- The contaminant on which EPA based its determination that the CFAC site was impacting the Flathead River in its support for its proposed NPL listing is manganese, an essential element the occurs naturally in soil all over Montana. In fact, the background concentrations of manganese in soil were twice as high as the concentrations in the soil at the CFAC site. The manganese levels that EPA found in the Flathead River adjacent to the site were not harmful to humans or the environment. The EPA never attributed the manganese to industrial activity at the CFAC site.
- Although the EPA includes manganese on a long list of substances for purposes of evaluating possible NPL sites, which includes such common substances as sodium (a primary element in table salt), the Montana Department of Environmental Quality never established a numeric water quality standard for manganese.
- The EPA did not find cyanide and fluoride, the contaminants associated with former aluminum smelters, in levels in the Flathead River sufficient to justify listing the site on the NPL.
- Tests by CFAC, as required by the Montana Department of Environmental Quality, over the last three quarters have found no aquatic toxicity associated with the site in the Flathead River.
- For almost 30 years, the water discharges from the site have been approved regulated under a Clean Water Act permit issued by the State of Montana and approved by the United States Environmental Protection Agency. As stated above, discharges under these permits have not adversely affected the water quality of the Flathead River.

Columbia Falls Aluminum Company is assessing Site Conditions and Historic Contamination Now

- CFAC has hired nationally recognized environmental consulting firm, Roux Associates, to develop a Remedial Investigation and Feasibility Work plan ("RI/FS Workplan") that will comply with federal and state requirements even though it has not been required to do so by any government agency. The RI/FS Workplan will be the blueprint and general schedule for investigating historic contamination at the site and evaluating potential remedial solutions. Roux is a nationally recognized expert in evaluating and remediating contaminated sites around the country, including former Aluminum smelters.
- Roux is expected to have the draft of the RI/FS Workplan completed by the end of May.. When the draft is completed, CFAC will share the plan with the regulators and the public. Based on that feedback, Roux will develop a revised RI/FS Workplan.
- CFAC will begin the investigation according to the plan in compliance with all federal and state requirements and law.
- CFAC offered to test for cyanide and fluoride quarterly for a year at the Aluminum City drinking water wells sampled by EPA and provide the results to the well users.

Glencore Has and Will Continue to Provide CFAC with the Resources Necessary to Assess the Site

• Glencore has made certain CFAC can pay for Roux's work and the other activities at the site and will ensure that CFAC has the resources to pay for the testing of the Aluminum City drinking water wells and any other necessary assessment expenses.

CFAC Tried But Couldn't Reach Agreement with the State of Montana

- The Montana DEQ did not follow through on a commitment it made to CFAC, which would have moved this process forward more quickly. The agency said it would write a whitepaper on different approaches for CFAC to use to assess the site. The paper was never provided to CFAC. Instead, the agency presented an unreasonable draft Administrative Order on Consent ("AOC") under Montana's Comprehensive Environmental Cleanup and Responsibility Act (CECRA) to CFAC and said that it was "take it or leave it." CFAC felt that proceeding under CECRA, as opposed to under the Montana programs under the Resource Conservation and Recovery Act or the Clean Water Act, would have complicated and delayed the process.
- CFAC preferred to meet directly with the DEQ to discuss the issues. The DEQ communicated with CFAC through the press. This also delayed and complicated the process.
- The DEQ wanted CFAC to commit in the AOC to perform any task ordered by the DEQ in the future, regardless of whether it made sense or not, with CFAC's only recourse

being an expensive and time consuming court process.

- In December 2014, CFAC asked for a meeting with Governor Bullock to discuss the site and still hasn't received a response.
- With the DEQ's position and the stance that the Governor appears to have taken, CFAC
 had no choice be to approach the EPA to discuss entering into an agreement to assess the
 site.

CFAC Is Trying to Negotiate an AOC with EPA but the EPA Won't Respond

- CFAC told the EPA in December 2014 that it wanted to discuss entering into an AOC with the EPA and the Montana DEQ. Despite repeated requests, the EPA has not provided CFAC with a draft AOC and won't say when it will provide CFAC with a draft. CFAC felt that the usual EPA AOC would give the Montana DEQ a say in the process but would result in a more efficient assessment of the site because such agreements usually include a more cooperative approach to determining assessment techniques.
- Such AOCs typically contain many provisions that are intended to hold parties responsible for assessing site conditions, including requiring parties to post financial assurance to provide resources to assess the site if the agreeing party does not.

<u>Listing the Site on the National Priorities List Will Slow Assessment, Waste Money and Stigmatize the Gateway to Glacier National Park</u>

- There are 18 sites on the NPL in Montana; none has ever been removed from the list.
 Industrial reuse has not occurred at any Montana site that was finally listed on the NPL and has occurred on only one Montana Superfund site: The Burlington Northern Livingston Shop Complex, which was proposed for NPL listing in 1994 but the listing was never finalized.
- According to EPA, while multiple sites have and are undergoing community-based planning for reuse, actual re-use has occurred at a handful of sites and has included only government activity and recreation. These sites are:
 - Local government buildings and equipment at the Mouat and Upper Tenmile Creek Mining Area Site
 - o Recreation at the Milltown Sediments Operable Unit and the Anaconda Company Site
- Only two of the 18 sites Idaho Pole and Mouat Industries have been designated by EPA as ready for reuse. The Town of Columbus constructed a building on the Mouat site, designated as ready for reuse in 2009. The Idaho Pole site was designated as ready for reuse in 2010 but has not been redeveloped.

- NPL listing has not meant quick cleanups:
 - o The Barker Hughsville Mining District Site was placed on the NPL in 2001 and the EPA states that the site-wide Remedial Investigation is expected to be completed in "early 2015" some 14 years later.
 - o The Basin Mining site was listed in 1999 and the Remedial Investigation and Feasibility Study was completed in 2013, another 14 year assessment.
 - o The Milltown Reservoir site was originally placed on the NPL as part of the Clark Fork River Basin site in 1983. Remediation wasn't completed until some 29 years later in 2012. The site is still undergoing monitoring and has not been delisted some 32 years later.
 - O The EPA placed the East Helena site in the NPL in 1984 and it hasn't updated the information about the site on its web site since 2011. As of that date, the site had not been cleaned up.
- Even EPA admits that NPL listing can hinder redevelopment. In an answer to a question regarding the Superfund Redevelopment Program. EPA states "Some sites are desirable [sic] because of their location or other economic factors. But in many instances, use is not inevitable. Developers often look elsewhere before even considering a Superfund site." (http://www.epa.gov/oerrpage/superfund/programs/recycle/faqs/index.html#14)